aside of a debenture when a company was already in liquidation, or to analogous situations. The sections which were considered in the cases cited by Mr Darvall are differently worded from winding-up sections. In *Sandell*[4] and the *Expo* case,[6] the court was concerned with the meaning of the inability of a debtor 'to pay his debts as they became due from his own money'; and while, in the *Expo* case,[6] Needham J considered the meaning of 'solvent' for the purposes of s 294 of the Australian Companies Act, and concluded that a company is not necessarily solvent if it can 'pay one debt only by borrowing from someone else', at no stage was the provision of a winding-up section being considered.

It is clear, too, that the word 'debts' in what were referred to as the 'non-winding up sections' have a wider meaning than in winding-up sections. The distinction between the wider type of debt, and debts which support a petition in insolvency, was recognized by Isaacs J at pp 1545-6; 1547-8 and 1555, in the course of his judgment in *Bank of Australasia* v *Thomas Murray Hall.*[7] A clear distinction is made by the learned judge between a debt which is capable of founding a petition, and the wider category of debts which are provable in a winding up. The High Court of Australia in *Hymix Concrete Pty Ltd* v *Garrity*,[8] another case which was concerned with a non-winding up section and dealt with the administration of a company already in liquidation, held that the words 'unable to pay its debts due from its own money' should be read in the light of the judgment in *Bank of Australasia* v *Thomas Murray Hall*,[7] and that words in later cases, including *Sandell*,[4] which appeared to be more favourable to a creditor, should be treated as applications of an established principle to particular facts, and not as enunciations of a principle.

The result, in my judgment, is that the authorities cited by Mr Darvall do not support the quick assets test as the test for insolvency under s 254(2)(c) of the Companies Act of Singapore. Indeed, it was demonstrated to me by Mr Lyndon-Stanford that, were the quick assets test to be the test for insolvency, some 20 companies listed on the Stock Exchange of Singapore would be insolvent on the basis of their last published accounts, because each has a deficiency on current assets. Section 254(2)(c) stipulates that in determining whether a company is unable to pay its debt the court is to take into account contingent and prospective liabilities. There is nothing in the subsection which requires that the company should have the capacity to meet these liabilities out of its own moneys and I see no basis for applying this gloss.

The two tests, the one practical and the other theoretical, to which I earlier referred are, in my judgment, the true tests for insolvency. Has the company failed to meet a current demand for a debt already due? – the practical test – or, on a balancing overall of liabilities against assets, is there a deficit? – the theoretical test. The Company passes both these tests, and there is no basis in law for saying that it is insolvent because it would not be in a position to pay its debts out of current assets if OCBC were to call in the overdraft. The reality is that OCBC has not demanded payment, and the debt is not due. The Company cannot, in my judgment, be said to be insolvent, and accordingly I declined to make a winding-up order on that ground. The only basis upon which it was suggested that it is just and equitable that the Company be wound up was that the Company 'will not be able to pay its debt'. I was not prepared to make a winding-up order on that ground either, having concluded that the Company is not insolvent. I would observe that the petition was not supported by any other contributory. It seems at long last, as though things may be looking up for the Company.

I was invited by Mr Darvall, in the event that I was not prepared to make a winding-up order simpliciter, to consider as an alternative an order under s 216(2)(d) by which the winding-up order would not take effect for a period of, say, two weeks, the order to be permanently stayed or withdrawn if the petitioner's shares in the Company were purchased on or before the expiry of that period. I declined to make such an order because, on a plain reading of s 216(2), I was empowered to do so only if I was of the opinion that a case of oppression under s 216(1)(a) was made out. I was not of such opinion, and accordingly an order in any form for the purchase of the petitioner's shares did not arise for consideration.

Petition dismissed.

Solicitors: *Lee & Lee*; *Tan Rajah & Cheah.*

Reported by *PS Ranjan*

Lee Kuan Yew v Seow Khee Leng

HIGH COURT (SINGAPORE) – SUIT 9332/84
CHUA J
30 SEPTEMBER 1988

Tort – Slander – Assessment of damages – Aggravated damages – Factors taken into account in assessment

The plaintiff was at all material times the Prime Minister of Singapore. The defendant was at the material time a businessman and the secretary general of the Singapore United Front ('SUF'), a registered political party, and in the 1984 general elections was a candidate of his party. Polling day was 22 December 1984. The plaintiff alleged that on 15 December 1984, at a political rally, the defendant had falsely and maliciously spoken and published of and concerning the plaintiff in

the way of his office and in relation to his conduct therein certain defamatory words. The plaintiff's solicitors delivered a letter to the defendant on 19 December 1984 asking him to publish at his expense an apology in terms of the draft enclosed with the letter. The plaintiff's terms included terms that the apology be published immediately and with appropriate prominence in several national newspapers, and be read by the defendant at the next SUF rally following delivery of the letter, and further that the defendant do give his assurance and undertaking in writing that he will not repeat the same or similar statements concerning the plaintiff. The plaintiff also sought an indemnity from the defendant for his costs, then estimated at $500, and nominal damages of $1,000.

The plaintiff issued a writ against the defendant on 21 December 1984 claiming, inter alia, damages for slander. In his defence, the defendant admitted that his statements were defamatory of the plaintiff. He pleaded that he accepted on 21 December 1984 the plaintiff's terms as set out in his solicitors' letter and that he proceeded with reasonable diligence to comply with all the terms of the plaintiff but that before the defendant could fully comply with all the terms, the plaintiff refused to accept the defendant's further compliance. The defendant therefore pleaded the defence of accord and satisfaction.

At the trial, which commenced on 16 May 1988, the defendant withdrew the defence of accord and satisfaction and his counsel read out a statement in court withdrawing the defamatory statements and offering to publish an apology and withdrawal in all the major newspapers.

Liability was admitted and, on the question of damages, the plaintiff claimed aggravated damages while the defendant submitted that only nominal damages be awarded.

Held, allowing the application:

(1) The general rule is that damages are to be assessed on a compensatory basis. However, in this case the defendant had at every turn aggravated damages. It was only at the commencement of the trial that the defendant by the statement read in court by his counsel unconditionally withdrew the slanderous allegations. He had admitted that the apologies made at the election rally of 21 December 1984 and subsequently published in the press were neither unreserved nor sincere. They indicated an indifference to the plaintiff's feelings. The defendant had also admitted that he repeated the slanders. In addition to the above aggravating factors, the proceedings had been conducted, on the defendant's instructions, in a vexatious manner. He had taken wholly unmeritorious points and had persisted in the frivolous defence of accord and satisfaction for almost three and a half years, thereby substantially aggravating the injury to the plaintiff's reputation and feelings caused by the defendant in slandering the plaintiff.

(2) The defendant's slanders were of a particularly vicious nature. The slanders were gross imputations upon a man who had held the highest political office since 1959 and whose integrity was unquestionable and whose character was unassailed. The slanders were vicious and malicious charges of corruption and criminal acts. The defendant had no belief in the truth of the slanders when he published them on 15 December 1984. That he was actuated by malice was evidenced by the fact that the very next day, he repeated the slanders at another rally. The whole conduct of the defendant, from the time when the slanders were published down to the judgment, showed malice.

(3) An award of $250,000 would be a fair and just compensation for this very serious slander.

[*Editorial Note*: The defendant has appealed to the Court of Appeal vide Civil Appeal No 44 of 1988.]

Cases referred to

1 *Lee Kuan Yew* v *JB Jeyaretnam* [1979] 1 MLJ 281 (refd)
2 *JB Jeyaretnam* v *Lee Kuan Yew* [1979] 2 MLJ 282 (refd)

Tan Kok Quan for the plaintiff.
Subhas Anandan for the defendant.

Cur Adv Vult

Chua J: The plaintiff is, and was at all material times, the Prime Minister of the Republic of Singapore, an office he has held since 1959.

The defendant is, and was at the material time, a businessman and the secretary general of the Singapore United Front ('SUF'), a registered political party, and at the 1984 general elections was a candidate of his party for the election to Parliament for the constituency of Kampong Chai Chee. Polling day was 22 December 1984.

The plaintiff alleged that on 15 December 1984, at carpark 13, near Apartment Blk 425, Bedok North Road, Singapore, the defendant, while addressing an election rally of the SUF, falsely and maliciously spoke and published of and concerning the plaintiff in the way of his said office and in relation to his conduct therein defamatory words in Fujian. The following is the literal translation of the said words:

> Is Phey Yew Kok a talented and qualified person? He had embezzled more than $6,000,000 of the union funds but the newspapers reported that he embezzled only over $100,000. He is now a rich man doing business in Taiwan. Do you know that nowadays, most of the PAP MPs and ministers are millionaires or at least half-millionaires. To avoid misunderstanding from the public, all the new MPs should declare their wealth for us to know. Let us know how much assets they have before they are elected. Declare it! How much can a MP earn each month? How do they become millionaires in ten years? Impossible! There must be other reasons. There are many opportunities. Just flatter Lee Kuan Yew, you will become wealthy in a short time. So, in this society, the Special Branch, this Corrupt Practice Investigation Bureau is under the Prime Minister's control. You will not succeed if you want to complain against his MPs and ministers. He would simply brush it aside. Eat the 'Angoli', but catch the ikan bilis outside. To prove that to you: 'I will arrest whoever is corrupt. Those committing serious corruption, let them escape.'

The plaintiff's solicitors wrote to the defendant on 19 December 1984, asking the defendant whether he was prepared to publish, at his expense, an apology in the terms of the draft enclosed. The terms of the plaintiff were:

> ... the apology (i) to be published immediately and with appropriate prominence in national Chinese, English, Malay and Tamil newspapers, and (ii) to be read by you at the next SUF rally following delivery of this letter. Mr Lee further requires you to give us your assurance and undertaking in

writing that you will not repeat the same or similar statements concerning him.

We require to know if you are prepared to indemnify our client in respect of the costs to which he has been put in the matter, which we now estimate at $500.

Finally, we are further instructed to inform you that our client claims damages. If you proceed in accordance with the preceding two paragraphs, our client will accept nominal damages of $1,000.

In the meantime, it must be clearly understood that our client reserves all his rights in the matter.

The letter was delivered to the defendant on the same day.

The plaintiff issued a writ against the defendant on 21 December 1984, claiming damages for slander, an injunction to restrain the defendant, his agents or servants, from further speaking or publishing the said or any similar words defamatory of the plaintiff and interest pursuant to s 9 of the Civil Law Act (Cap 30, 1970 Ed) and costs.

The plaintiff pleaded that the words spoken by the defendant at the election rally, in their natural and ordinary meaning, meant and were understood to mean that the plaintiff was guilty of corrupt and/or criminal and/or dishonourable conduct in the discharge of his office and that he contrived in that office the unlawful enrichment of sycophants and that the said words were calculated to disparage the plaintiff in his said office.

In his defence, filed on 11 April 1985, the defendant admitted that his statements made on 15 December 1984, were defamatory of the plaintiff. He pleaded that he accepted on 21 December 1984, the plaintiff's terms as set out in the plaintiff's solicitors' letter of 19 December 1984 and that he proceeded with reasonable diligence to comply with those terms. However, before he could fully comply with all the terms of the plaintiff, the plaintiff on 28 December 1984, refused to accept the defendant's further compliance. The defendant was still willing to comply with the remaining terms. The defendant pleaded that his acceptance of the plaintiff's offer to compromise his cause of action and the defendant's compliance with the terms of the plaintiff, operated as an accord and satisfaction and thereby the plaintiff's cause of action had been discharged. The defendant denied that the plaintiff had suffered any damage or that he was entitled to any of the reliefs claimed.

The action came up for hearing on 16 May 1988. Counsel for the defendant at the beginning of the trial applied to amend the defence and the defendant withdrew the defence of accord and satisfaction. Counsel for the defendant then tendered a statement signed by the defendant (exh D1) and said that he was instructed to read it out to the court which he did. The statement read:

The defendant admits making the allegations against the plaintiff as stated in the statement of claim. The defendant says that there is no foundation for any of these disgraceful allegations and apologises to the plaintiff for having made them and unreservedly withdraws all imputations upon him and thus upon the office the plaintiff holds.

The defendant is prepared to publish this statement of apology and withdrawal in all the major newspapers of this country as further proof of his repentance for making the allegations and hopes that the plaintiff will accept his apology and unconditional withdrawal of his allegations.

Liability was admitted. The only issue which was left to the court to try was the quantum of damages. The plaintiff claimed aggravated damages. The defendant submitted that only nominal damages be awarded.

The general rule is that damages are to be assessed on a compensatory basis. What may be included in compensatory damages is compendiously stated in para 1451 of *Gatley on Libel & Slander*, 8th Ed, thus:

> In an action on libel 'the assessment of damages does not depend on any legal rule'. The amount of damages is 'peculiarly the province of the jury', who in assessing them will naturally be governed by all the circumstances of the particular case. They are entitled to take into their consideration the conduct of the plaintiff, his position and standing, the nature of the libel, the mode and extent of publication, the absence or refusal of any retraction or apology, and 'the whole conduct of the defendant from the time when the libel was published down to the very moment of their verdict. They may take into consideration the conduct of the defendant before action, after action, and in court at the trial of the action', and also, it is submitted, the conduct of his counsel, who cannot shelter his client by taking responsibility for the conduct of the case. They should allow 'for the sad truth that no apology, retraction or withdrawal can ever be guaranteed completely to undo the harm it has done or the hurt it has caused'. They should also take into account the evidence led in aggravation or mitigation of the damages. They should not take into account in assessing damages any part of the words complained of in respect of which the defendant has made out a defence, or any damage done to the plaintiff's reputation or feelings by any defamatory matter or other wrong for which the defendant is not responsible. They should not speculate on whether the defendant will be indemnified.

Gatley on Libel & Slander has this to say as regards aggravated damages:

> 1452. *Aggravated damages.* The conduct of the defendant, his conduct of the case, and his state of mind are thus all matters which the plaintiff may rely on as aggravating the damages. 'Moreover, it is very well established that in cases where the damages are at large the jury (or the judge if the award is left to him) can take into account the motives and conduct of the defendant where they aggravate the injury done to the plaintiff. There may be malevolence or spite or the manner of committing the wrong may be such as to injure the plaintiff's proper feelings of dignity and pride. These are matters which the jury can take into account in assessing the appropriate compensation.' 'In awarding 'aggravated damages' the natural indignation of the court at the injury inflicted on the plaintiff is a perfectly legitimate

> motive in making a generous, rather than a more moderate award to provide an adequate solatium...that is because the injury to the plaintiff is actually greater, and, as the result of the conduct exciting the indignation, demands a more generous solatium.'

Let us examine the conduct of the defendant when he was asked to retract and apologize in December 1984. This can be gathered from the agreed statement of facts exh C. The defendant did not read out the apology at the next SUF rally held on 20 December 1984, although it was after the plaintiff's solicitors' letter was delivered to his residence on 19 December 1984. The plaintiff then issued the writ on 21 December 1984. The defendant's counsel said that the letter was delivered to the defendant's house on the evening of 19 December, but the defendant only knew of it on 21 December as the letter was misplaced by his son. When he became aware of the letter, that same evening at his party's rally he read out the letter and apologized. But what did the defendant do at the rally? The defendant read the whole of the plaintiff's solicitors' letter thereby repeating the slanderous statement of which it complained. Only having repeated the slanders did the defendant read out the apology so as to appear to comply with the plaintiff's solicitors' demands.

After reading the apology in English, the defendant qualified it by stating:

> But at any time I might utter any error or mistake in my course of speech at the mass rally on 15 and 16 December, I would like to extend my apology to the Prime Minister of Singapore and his ministers, if I have uttered wrongly.

The defendant then proceeded to speak in Mandarin. After paraphrasing the apology, he stated:

> I think in an election, Singapore must practise democracy, allowing us to speak our mind. So I do not wish to suffer immediate loss. You can go back and think about it. There is still a lot to be done for Kampong Chai Chee, better not to waste time on fighting a court case. So I apologize to Prime Minister Lee and others.

The defendant agreed that by his statement he meant and was understood to mean that:

(i) the statements of which the plaintiff complained were not defamatory, but were a legitimate expression of his opinion of the plaintiff's conduct in office;
(ii) by demanding an apology and retraction and threatening an action for defamation in default, the plaintiff was misusing the legal process to gag the opposition at election time; and
(iii) the defendant had read the apology, not because it was properly due, but in order 'not to waste time on fighting a court case'.

That same night, 21 December 1984, SBC telecast the defendant reading the whole of the plaintiff's solicitors' letter including the slanderous statements and the defendant's remarks quoted above at prime viewing time.

The *Straits Times* of 25 December 1984 carried a report under the caption: 'No more polls for me, says Seow.' It dealt with remarks made by the defendant the previous day. The defendant, inter alia, criticized the plaintiff:

(i) for having threatened the defendant with legal action during the election; and
(ii) for not allowing 'room to the opposition to criticize'. The defendant agreed that these remarks again imply that the statements, which are the subject of this action, were by way of legitimate criticism and not slanders.

It was implicit in the plaintiff's solicitors' letter that the plaintiff would refrain from instituting proceedings against the defendant if, inter alia, the defendant was prepared to make a sincere and unreserved apology immediately, at the defendant's next rally. This the defendant did not do.

When the defendant apologized at a subsequent rally, it is apparent that the defendant's apology was neither unreserved nor sincere. They indicated an indifference to the plaintiff's feelings. The same was true of the apologies that the defendant caused to be published in the press subsequently.

In addition to the above aggravating factors, these proceedings have been conducted, on the defendant's instructions, in a vexatious manner:

(i) the defendant entered a conditional appearance, and sought to set aside the writ and service thereof on the wholly unmeritorious ground that a note had been mistakenly included on the writ when it was not appropriate to the form used, and that this invalidated the proceedings;
(ii) when this clerical error was amended by the plaintiff's solicitors, as they were entitled to do, without leave, the defendant sought by a second application to set aside the amended writ and service of it. The application was dismissed with costs;
(iii) the defendant questioned the plaintiff's solicitors' authority to act for the plaintiff, and demanded the production of a formal warrant to act;
(iv) the defendant then attempted to defeat the plaintiff's claim on yet another wholly unmeritorious ground by alleging accord and satisfaction. The defendant's application to stay or dismiss the plaintiff's claim on that frivolous ground was dismissed with costs by the registrar on 8 April 1985;
(v) the defendant appealed against that decision. The appeal was dismissed with costs by the Chief Justice on 10 May 1985;

(vi) the defendant appealed against the Chief Justice's decision. The appeal was dismissed with costs by the Court of Appeal on 20 March 1986;

(vii) in spite of the application and appeals failing, the defendant persisted in the frivolous defence of accord and satisfaction until by letter dated 3 May 1988, the defendant's solicitors informed the plaintiff's solicitors that they were withdrawing this defence. The raising of this defence and the defendant's persistence in it even after the dismissal of his appeal to the Court of Appeal on 20 March 1986, has denied the plaintiff an opportunity of obtaining a public vindication of his reputation for almost three and a half years, thereby substantially aggravating the injury to the plaintiff's reputation and feelings caused by the defendant in slandering the plaintiff.

The plaintiff did not do anything to provoke the defendant. This was a totally unprovoked and vicious attack on the plaintiff who has placed great importance on integrity in the government. In spite of the unprovoked and vicious attack, the plaintiff was content not to sue if the defendant published suitable apologies before polling day, paid the plaintiff's costs and paid nominal damages. The plaintiff wanted the sting of the defendant's slanders to be removed, as far as this was ever possible, by the publication of an apology while the election campaign was still in progress. In that way, the plaintiff felt that the damage done by the defendant might be mitigated somewhat.

The defendant's slanders were of a particularly vicious nature. In their literal meaning the words spoken by the defendant meant that the plaintiff, as Prime Minister of Singapore and the person in control of the Corrupt Practice Investigation Bureau, had deliberately allowed Phey Yew Kok to escape from Singapore to Taiwan after embezzling more than $6 million, had assisted or connived at or condoned PAP members of Parliament and ministers corruptly enriching themselves and would reject any attempt by members of the public to have the conduct of members of Parliament or ministers investigated. In their inferential meaning the words also meant that the plaintiff was guilty of corrupt and/or criminal and/or dishonourable conduct in the discharge of his office and that he had contrived in that office the unlawful enrichment of sycophants and, by implication, that the plaintiff is wanting in honesty and integrity and is unfit to hold the high office of Prime Minister as that office demands standards of the highest scrupulousness. These allegations are totally baseless, and were directed at disparaging the plaintiff in his office as Prime Minister of Singapore.

The plaintiff has been injured in his credit and reputation as Prime Minister of Singapore and has been brought into public scandal, hatred and contempt. When the plaintiff came to learn of what the defendant said he was worried and outraged.

Allegations of corrupt and criminal conduct are very grave charges, especially if they are made against the Prime Minister of a country. Such charges unless challenged head on would destroy the plaintiff, as moral authority is the cornerstone of effective government. If this moral authority is eroded, the government cannot function.

The defendant knew that the slanders were insidious and would spread very quickly in an urban community like Singapore. It is impossible to prevent those who heard the speech from repeating it to their relatives, friends and acquaintances. People will think that as the defendant is the secretary general of SUF he would not say it unless it was true.

In May 1959, the PAP won a majority of seats in Parliament and the plaintiff formed a government and became the Prime Minister of Singapore. Since then the PAP has been successfully re-elected at each general election. The slanders were gross imputations upon a man who had held the highest political office since 1959 and whose integrity was unquestionable and whose character was unassailed.

The slanders were vicious and malicious charges of corruption and criminal acts. The defendant had no belief in the truth of his slanders when he published them on 15 December 1984. That he was actuated by malice is evidenced by the fact that the very next day, on 16 December 1984, he repeated the slanders at another rally. (This is the subject matter of Suit No 9331 of 1984 in which the Prime Minister and 14 Cabinet Ministers are the plaintiffs and the defendant, the defendant.) The whole conduct of the defendant, from the time when the slanders were published down to the judgment, shows malice.

Counsel for the defendant submitted that the statement of the defendant exh D1, which was read out, clearly put the position of the defendant today: he apologized and maintained there was no foundation of the allegations and he withdrew unconditionally all allegations against the plaintiff; it was a sincere statement, it was made because the defendant believed unconditionally the contents of the statement.

As regards the report by the *Straits Times* of 22 December 1984, counsel for the defendant said that it should be noted that it appeared on polling day and it was headed 'SUF chief issues public apology'. Such report also appeared in the Chinese and Malay newspapers and was also reported by SBC. Counsel submitted that nowhere in those reports could anybody say that it was an

insincere apology; the message was quite clear; there was no basis for the allegations.

Counsel further said that an apology was published in the *Straits Times* of 28 December and similar apologies were published by the defendant in all the major newspapers on 27 and 28 December including the Tamil paper. Counsel submitted that there was nothing in the apologies which would make an ordinary man think or feel that the apology was an insincere apology.

Counsel urged the court to award nominal damages.

It was only at the commencement of the trial that the defendant by the statement exh D1 unconditionally withdrew the allegations. What had the defendant's conduct been for the last three and a half years? He had at every turn aggravated damages. He has in the agreed statement of facts admitted that the apologies made at the election rally of 21 December and subsequently published in the press were neither unreserved nor sincere. He has also admitted that he repeated the slanders.

In January 1985 the defendant had refused to admit liability when his solicitors on his instructions tendered the sum of $1,500 being $1,000 damages and $500 costs. The offer was made without prejudice to the defendant's right to set aside the writ and not to be taken as an admission of liability.

Counsel for the plaintiff cited a number of cases where damages were awarded to the plaintiff for libel and slander. The one that has relevance is *Lee Kuan Yew* v *JB Jeyaretnam*.[1] The slander there was that the plaintiff procured preferential treatment for his brother and wife to his own and their personal financial advantage and had thereby abused the office of Prime Minister of Singapore. The defendant had also aggravated the damages. Chua J awarded damages in 1979 at $130,000.

Counsel for the defendant, while conceding that the allegation made by the defendant was no less serious, sought to distinguish the *Jeyaretnam* case[1] by raising two points: (i) there was no apology in that case; and (ii) there was a protracted trial.

The slanders in the present case are more serious than that in the *Jeyaretnam* case.[1] It literally charged the plaintiff with corrupt and criminal conduct. In the circumstances of this case and on the agreed statement of facts the purported apologies in fact aggravated damages. The defence of accord and satisfaction was persisted in spite of there being no merits until two weeks before the date fixed for trial, with the result that the plaintiff had to wait three and a half years to vindicate his reputation. An apology is made to appease the plaintiff's hurt feelings. Here the plaintiff's hurt feelings have never been appeased because of the insincere apologies made.

Counsel for the defendant said that the defendant was a lesser individual than Jeyaretnam but the defendant had agreed in the agreed statement of facts that 'people will think that as the defendant is the secretary general of SUF he would not say it unless it was true'.

The Court of Appeal in the *Jeyaretnam's* case[2] said at p 285:

> In our opinion, for an incumbent Prime Minister of a democratic country who has continuously held office for over a decade to be publicly falsely accused by the leader of an opposition party at the final election rally of that party during a coming general election of corruption and nepotism for personal financial advantage must be the gravest of slanders, must cause the greatest indignation to him, and the gravest harm, if believed, to his political life. The gravity of such a slanderous accusation is enhanced if the standing of the accuser is such that people who hear the accusation are likely to take it seriously and are likely to repeat it to others.

The *Jeyaretnam* award was made nine years ago. Since then the value of money has diminished.

After taking all the relevant factors into account when assessing the award of damages, I was of the view that an award of $250,000 would be a fair and just compensation for this very serious slander.

Application allowed.

Solicitors: *Lee & Lee*; *MPD Nair & Co.*

Reported by *PS Ranjan*